



# UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office  
Address: COMMISSIONER FOR PATENTS  
P.O. Box 1450  
Alexandria, Virginia 22313-1450  
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
-----------------	-------------	----------------------	---------------------	------------------

09/935,884

08/22/2001

Malcolm R. Fowler

31210-2011

2053

33721 7590 04/24/2008

TORYS LLP  
79 WELLINGTON ST. WEST  
SUITE 3000  
TORONTO, ON M5K 1N2  
CANADA

EXAMINER

DURAN, ARTHUR D

ART UNIT

PAPER NUMBER

3622

MAIL DATE

DELIVERY MODE

04/24/2008

PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.



UNITED STATES PATENT AND TRADEMARK OFFICE

---

Commissioner for Patents  
United States Patent and Trademark Office  
P.O. Box 1450  
Alexandria, VA 22313-1450  
[www.uspto.gov](http://www.uspto.gov)

**BEFORE THE BOARD OF PATENT APPEALS  
AND INTERFERENCES**

Application Number: 09/935,884  
Filing Date: August 22, 2001  
Appellant(s): FOWLER ET AL.

---

Matthew Marquardt  
For Appellant

**EXAMINER'S ANSWER**

This is in response to the appeal brief filed 2/19/2008 appealing from the Office action mailed 7/20/2007.

**(1) Real Party in Interest**

A statement identifying by name the real party in interest is contained in the brief.

**(2) Related Appeals and Interferences**

The examiner is not aware of any related appeals, interferences, or judicial proceedings which will directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal.

**(3) Status of Claims**

The statement of the status of claims contained in the brief is correct.

**(4) Status of Amendments After Final**

The appellant's statement of the status of amendments after final rejection contained in the brief is correct.

**(5) Summary of Claimed Subject Matter**

The summary of claimed subject matter contained in the brief is correct.

**(6) Grounds of Rejection to be Reviewed on Appeal**

The appellant's statement of the grounds of rejection to be reviewed on appeal is correct.

**(7) Claims Appendix**

The copy of the appealed claims contained in the Appendix to the brief is correct.

**(8) Evidence Relied Upon**

Postrel	20040098317	5-2004
Fitzpatrick	20020046138	4-2002
Eggleston	6,061,660	5-2000
Bednarek	20050251440	11-2005

**(9) Grounds of Rejection**

The following ground(s) of rejection are applicable to the appealed claims:

Claims 1, 2, 4, 6-12, 17-25, 27-30, 32, 39-43, 46-50, 53, 55-58, 68, 69, 71-73, 75-85 are rejected under 35 U.S.C. 103(a) as being unpatentable over Postrel (20040098317) in view of Fitzpatrick (20020046138).

Claim 1, 42, 68, 69, 71-73, 75-77, 79: Postrel discloses an automated marketing system implemented using a host controller system, comprising:

acquiring a user identifier, a merchant identifier, and a user behavior identifier at a point of transaction and communicating each of the identifiers to a host controller system over a communications network (Fig. 2; Fig. 4; Fig. 5);

validating eligibility of at least one of the user identifier, the merchant identifier and the user behavior identifier to determine eligibility for participation in at least one marketing program (Fig. 2; Fig. 4; Fig. 5; Fig. 6);

performing a rate calculation processing step to determine eligibility of the user, the merchant and the user behavior for an award based on a preselected set of criteria (Fig. 5; Fig. 6; Fig. 4); and

communicating information relating to delivery of an award or an updated award

status condition to the point of transaction over a communications network (Fig. 6; Fig. 4; Fig. 5).

Also, in regards to claim 42, Postrel further discloses accessing a user database from a host controller system, the user database associating a user identifier with additional user demographic information (Fig. 5); associating the user identifier with the additional user demographic information and validating the eligibility of the user to participate in at least one marketing program based on the user identifier and/or the additional user demographic information (Fig. 4; Fig. 5; Fig. 6).

Additionally, Postrel discloses implementing award redemption at the point of transaction (Fig. 4; Fig. 5; Fig. 6; ([42])).

Postrel does not explicitly disclose utilizing user demographic information. However, Postrel disclose utilizing user account information, user credit card information, user smart card information (as disclosed above), user registration/name/login information, and user profile and preference and account information (Fig. 5). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made that Postrel can utilize user demographic information. One would have been motivated to do this in order to better present the user content of interest ([8, 27]).

Also, in further regards to claim 42, Postrel discloses utilizing user preference, hobby, interest, demographic information (Fig. 5, Fig. 8). And, Postrel discloses utilizing demographic/preference information to determine the user's eligibility to participate in marketing programs ([15, 34]). Note that the servers can utilize the information to determine

which programs to notify the user concerning participation in or when or whether to advertise/market to a user.

Additionally, Postrel makes awards or determine eligibility for awards ([4, 5, 10, 11, 15, 29, 42]; Fig. 3). Note that the awards are made at time of purchase based on the agreement for, for example, dollars utilized in purchase to points awarded ratio. Also, notice the preselected award criterion can be that the user is making a purchase or making a purchase utilizing dollars where the dollar amount is rewarded. Also, notice that Postrel states that these rewards at time of purchase are old, well known, and obvious. Also, Postrel discloses a rate calculation for rewards at time of purchase (Fig. 3, citations preceding). Also, note that Postrel gives a certain amount of points for certain dollars spent and that this qualifies as a rate calculation where the rate is the amount of points per dollar spent.

Also, Postrel discloses points/awards provided at time of transaction ([4, 5, 10, 11, 15, 29, 42]; Fig. 3).

Also, Postrel discloses point of transaction, identifiers, swiping, and the use of financial instruments at the point of transaction, please see these citations concerning the point of transaction, the use of cards, the use of credit cards, the use of smart cards ([4, 5, 10, 11, 15, 29, 42]; Fig. 3). Also, see the reference to cards or credit cards in Figures 1, 2, 4 (Figures 1, 2, 4).

Also, Postrel discloses marketing methods, please see these citations concerning promotions and targeted promotions and user targeting ([15, 34]).

Additionally, Postrel does not explicitly discloses that the reward program identifier and credit card identifier can be sent to different parties at time of transaction. However, Postrel discloses both a reward program identifier and host and also a credit card identifier and credit

Art Unit: 3600

card company (Fig. 2; Fig. 4; Fig. 5; [3, 15, 29]). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to that the separate information concerning the user can be reported to separate companies/hosts. One would have been motivated to do this in order to allow the user to utilize different credit cards with the same reward system (Fig. 2; Fig. 4; Fig. 5).

Additionally, Postrel discloses an automated marketing/advertising method ([8, 12, 17, 27, 29, 47]). Postrel further discloses promotions and targeted promotions and user targeting (15, 34). Postrel further discloses that there are a plurality of marketing methods that are administered by a central host controller (Figure 4 and Figure 5; [15]). Note in Figure 5 that there are numerous 'Merchant Offers' and numerous 'Merchant Connection Profiles'. Also, note in Figure 5 that the Trade Server (item 54) acts as a central host controller and that the Merchant (30) is remote from the Trade Server. Figure 5 also discloses individual user accounts and also individual merchant accounts ('User Accounts', 'Merchant Connection Profiles'). Hence, Figure 5 discloses an automated marketing method implemented using a host controller system administering a plurality of marketing programs and involves acquiring a unique user identifier, a unique merchant identifier, and that the merchant and/or user can be remote from the host controller system.

Postrel further describes how the trading server functions as a central host controller ([36, 37]). Also, notice that in Fig. 5 all the functions of database 54 are part of the trade server 20 (Figure 5; [31], 'as defined in a database 54 on the trading server as shown in FIG. 5.)

Postrel further discloses a matrix/table rules database that can be referenced to determine the value of particular user actions/behaviors (Figures 3, 5, 9; [36, 3, 15, 29, 33]). Note in

Figure 3 that different behaviors receive different amounts of rewards. Also, note in Figure 5 that the 'Merchant Offers' discloses the different offers for different behaviors by users. And, in Figure 9, item 902, Merchant Offers are communicated to the user.

Also, in regards to demographic information, Postrel discloses utilizing user preference, hobby, interest, demographic information (Fig. 5, Fig. 8). Postrel discloses utilizing demographic information to determine the user's eligibility to participate in marketing programs ([15, 34]). Note that the servers can utilize the information to determine which programs to notify the user concerning participation in.

Also, Postrel Figure 7 further discloses the user utilizing the system at a point of transaction remote from the host controller system (Figure 7). And, Examiner further notes that Postrel discloses points/awards provided at time of transaction at the merchant/POS/remote location ([4,5, 10, 11, 15, 29, 42]; Fig. 3, 4, 5). In further regards to transactions at the merchant/POS/remote location, Postrel discloses concerning point of transaction, identifiers, swiping, and the use of financial instruments at the point of transaction, please see these citations concerning the point of transaction, the use of cards, the use of credit cards, the use of smart cards ([4, 5, 10, 11, 15, 29, 42]; Fig. 3). Also, see the reference to cards or credit cards in Figures 1, 2, 4 (Figures 1, 2, 4).

Additionally, Postrel discloses communicating information relating to delivery of an award or an updated award status condition to the user at the point of transaction (Fig. 2; Fig. 4; Fig. 5; Fig. 6).

Additionally, Postrel discloses acquiring the user identifier and at least one transaction payment identifier in a single step at the point of transaction (Fig. 2; [42]). And, Postrel



discloses a single step at the point of transaction is a single card swipe and the card is a financial instrument (Fig. 2; [42, 33]).

Additionally, Postrel does not explicitly disclose that the trading sever manages reward programs for other entitites where the other entitites do not also manage the reward program.

However, Fitzpatrick discloses multiple, different award programs that are stored at and administered/operated by a central/host controller (Abstract; Figures 1, 2, 3, 7, 8, 10, 11, 14).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made that the functions of Postrel's reward and trading servers can be combined into one host/central server that interacts with the Merchants of Postrel. One would have been motivated to do this in order to provide a single source for the various reward programs and a simpler operations scheme.

Also, Examiner further notes that MPEP 2144.04.V. discloses that making integral or continuous is an obvious variation. And, in this case Fitzpatrick's makes integral or continuous the separate reward and trading server of Postrel. Hence, it is obvious to a skilled artisan that the functions of Postrel's distinct reward and trading server can be combined into one central server.

Claim 2: Postrel discloses an automated marketing system according to claim 1, additionally comprising updating at least one of a user, merchant and user behavior file and storing the user, merchant and user behavior identifier (Fig. 4; Fig. 5).

Claim 4: Postrel discloses an automated marketing system according to claim 1, additionally comprising communicating information relating to identification of the user, user behavior, the delivery of an award, or an updated award status condition to the merchant at the point of transaction (Fig. 4; Fig. 5; Fig. 6; Fig. 7).

Claim 6: Postrel discloses an automated marketing system according to claim 1, additionally comprising displaying information relating to delivery of an award or an updated award status condition at the point of transaction (Fig. 2; Fig. 4; Fig. 5; Fig. 6; Fig. 7).

Claim 7: Postrel discloses an automated marketing system according to claim 1, additionally comprising performing an award prioritization processing step after the rate calculating processing step when a transaction is eligible for multiple awards ([33, 46]).

Claim 8: Postrel discloses an automated marketing system according to claim 1, wherein user eligibility for participation in at least one marketing program is based on at least one of the qualifiers selected from the group consisting of membership in a participating organization; participation in a loyalty program; participation in a gift card program; holding of a credit instrument; holding of a debit instrument; holding of an account; membership in a subscriber base; participation in a service; and simultaneous or prior purchase of qualifying good(s) or service(s) (Fig. 2; Fig. 4; Fig. 5; Fig. 6; Fig. 7).

Claim 9: Postrel discloses an automated marketing system according to claim 1, wherein the award is expressed in an award currency selected from the group consisting of points, gift cards, gift certificates, instant prizes, custom coupons, merchandise, credit; services; benefits; and cash (Fig. 4; Fig. 5).

Claim 10: Postrel discloses an automated marketing system according to claim 1, wherein the user behavior identifier is selected from the group consisting of: identification of predetermined item(s) purchased; identification of predetermined service(s) purchased; identification of item type purchased; identification of service

type purchased; purchase price of individual item(s); purchase price of individual service(s); presence of user in a location; purchase in a location; purchase value total; purchase date; purchase time; purchase location; award delivered; and award accumulated (Fig. 4; Fig. 5).

Claim 11: Postrel discloses an automated marketing system according to claim 1, additionally comprising means for modifying the eligibility of at least one of the user identifier, the merchant identifier and the user behavior identifier to determine eligibility for participation in at least one marketing program (Fig. 6; Fig. 8).

Claim 12: Postrel discloses an automated marketing system according to claim 1, additionally comprising means for modifying the rate calculation processing step for determining eligibility of the user, the merchant and the user behavior for an award based on a modified set of criteria different from the preselected set of criteria (Fig. 4; Fig. 5; Fig. 9).

Claim 17: Postrel discloses an automated marketing system according to claim 1, wherein qualifying customer behaviors are accumulated over a time period to calculate awards ([12], 'period').

Claim 18: Postrel discloses a automated marketing system according to claim 1, wherein the host controller system additionally accesses user behavior historical information based on the user identifier, and the rate calculation processing step determines the eligibility of the user, merchant and user behavior for an award based, at least in part, on the user behavior historical information (Fig. 4; Fig. 5).

Claim 19: Postrel discloses the above. Postrel does not explicitly disclose utilizing user demographic information. However, Postrel disclose utilizing user account information, user credit card information, user smart card information (as disclosed above), user registration/name/login information, and user profile and preference and account information (Fig. 5). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made that Postrel can utilize user demographic information. One would have been motivated to do this in order to better present the user content of interest ([8, 27]).

Claim 20: Postrel discloses an automated marketing system according to claim 1, additionally comprising implementing multiple marketing programs, involving multiple merchants and/or merchant groups, upon validation of one or more user identifier(s) (Fig. 4; Fig. 5).

Claim 21: Postrel discloses an automated marketing system according to claim 1, additionally comprising implementing multiple marketing programs, involving multiple user identifiers or user identifier groups, upon validation of one or more merchant identifier(s) (Fig. 4; Fig. 5).

Claim 22: Postrel discloses an automated marketing system according to claim 1, additionally comprising acquiring the user identifier and at least one transaction payment identifier in a single step at the point of transaction (Fig. 2; [42]).

Claim 23: Postrel discloses an automated marketing system according to claim 22, wherein the single step at the point of transaction is a single examination of an identifying Object (Fig. 2; [42]).

Claim 24, 43, 46: Postrel discloses an automated marketing system according to claim 22, wherein the single step at the point of transaction is a single card swipe and the card is a financial instrument (Fig. 2; [42, 33]).

Claim 25: Postrel discloses an automated marketing system according to claim 22, wherein the user identifier, the merchant identifier, the user behavior identifier, and at least one transaction payment identifier are acquired in a single step at the point of transaction; the user identifier, the merchant identifier and the user behavior identifier are communicated to the host controller over a communications network; and the at least one transaction payment identifier is additionally communicated to an appropriate financial institution or intermediate for processing (Fig. 2; Fig. 4; Fig. 5; [3, 15, 29, 33]).

Claim 27: Postrel discloses an automated marketing system according to claim 26, wherein the at least one transaction payment identifier is additionally communicated to the host controller over a communications network (Fig. 4; Fig. 5).

Claim 28: Postrel discloses an automated marketing system according to claim 25, wherein user identifier and at least one transaction payment identifier are communicated to the host controller over a communications network, and transaction payment identifier is additionally communicated from the host controller to an appropriate financial institution or intermediate for processing ([42; 43, 33]; Fig. 4; Fig. 5).

Claim 29: Postrel discloses an automated marketing system according to claim 22, wherein a credit or debit account identifier is acquired at the point of transaction and is communicated to an appropriate institution for validation and approval (Fig. 4; Fig. 5; Fig. 6).

Claim 30: Postrel discloses an automated marketing system according to claim 29, additionally comprising transmitting the customer identifier to the marketing program host controller following validation and approval of the transaction (Fig. 5).

Claim 32: Postrel discloses an automated marketing system according to claim 31, additionally comprising validating eligibility of at least one of the user identifier, the merchant identifier and user behavior identifier to determine eligibility for award redemption, updating the award status condition based on the award redemption, and communicating information relating to redemption of an award to the point of transaction over a communications network (Fig. 4; Fig. 5; Fig. 6).

Claim 39: Postrel discloses an automated marketing system according to claim 1, additionally comprising analyzing data collected relative to user identifications and/or merchant identifications and/or user behaviors and providing data relating to the analysis to qualifying merchants/merchant groups through an Internet Website portal ([5, 9, 32]; Fig. 4; Fig. 5).

Claim 40: Postrel discloses an automated marketing system according to claim 1, wherein a data collection device at the point of transaction acquires the user identifier, the merchant identifier and the user behavior identifier, and the data collection device is selected from the group consisting of electronic registers, optical and magnetic scanners and readers, barcode scanners, magnetic strip scanners, radio frequency receivers, transaction card readers, communications devices, computers, personal digital assistants, telephones and pagers (Fig. 2; [42]).

Claim 41: Postrel discloses an automated marketing system according to claim 1, wherein a personal communications device acquires data relating to at least one of a user identifier, a merchant identifier and a user behavior and communicates the data to the host controller system over a communications network ([14, 28]).

Claim 47: Postrel discloses an automated marketing system of claim 1 or claim 42, in which the user identifier information is detected by recognition of a number, a barcode, a fingerprint, a retinal pattern, or a radio frequency signal (Fig. 2; [42]).

Claim 48: Postrel discloses an automated marketing system of claim 1 or 42, in which data is transmitted to the host controller system via local or regional phone lines, dedicated data transmission lines, cable, cellular, personal communication systems, microwave, radio frequency, fiberoptic, global communications networks or satellite networks ([14, 28, 54]).

Claim 49: Postrel discloses an automated marketing system of claim 1 or 42, in which information relating to delivery of an award or an updated award status condition is transmitted to the point of transaction via local or regional phone lines, dedicated data transmission lines, cable, cellular, personal communication systems, microwave, radio frequency, fiberoptic, global communications networks or satellite networks ([14, 28, 54]).

Claim 50: Postrel discloses an automated marketing system of claim 1 or 42, additionally comprising converting awards from different marketing programs into a common award currency and calculating and transferring award balances expressed in the common award currency to the host controller system (Fig. 4; Fig. 5).

Claim 52: Postrel discloses an automated marketing system of claim 50, wherein the common award currency is redeemable through any participating merchant or merchant group (Fig. 4; Fig. 5).

Claim 53: Postrel discloses an automated marketing system of claim 1 or 42, additionally comprising validating the eligibility of at least one of the user identifier, the merchant identifier and the user behavior identifier to determine eligibility for participation in multiple marketing programs (Fig. 4; Fig. 5; Fig. 6).

Claim 55: Postrel discloses an automated marketing system of claim 1 or 42, in which the host controller system administers multiple marketing programs associated with multiple merchants and/or merchant groups, and following acquisition and communication of the user identifier, the host controller validates eligibility of the user identifier to determine eligibility for participation in multiple marketing programs (Fig. 4; Fig. 5).

Claim 56: Postrel discloses an automated marketing system of claim 1 or 42, additionally comprising issuing gift certificates in an award currency usable in at least one marketing program administered by the host controller system and redeemable by at least one participating merchant and/or merchant group ([42]).

Claim 57: Postrel discloses an automated marketing system of claim 56, in which the gift certificate in the award currency is associated with the user identifier and communicated to the host controller system, and gift certificate redemption is administered by the host controller system through participating merchants and/or merchant groups (Fig. 5; Fig. 5; Fig. 6).



Claim 58: Postrel discloses an automated marketing system of claim 56, in which the gift certificate information is stored in the host controller system in a common award currency, and is convertible and redeemable through participating merchants and/or merchant groups in multiple currencies (Fig. 4; Fig. 5).

Claim 78, 83: Postrel discloses updating the award balance (Figure 5, 7, [38]).

Claim 80: Postrel discloses award program tie-ins ([15]).

Claims 81, 82: Postrel discloses validating the ability of the user to participate in multiple or one marketing programs (Figure 6, item 602, item 606; Figure 7, item 706; Figures 4, 5; [15])

Claim 84: Postrel discloses that the host controller stored data relating to users, merchants, and user behaviors (Figure 5, item 54; Figure 3).

Claim 85: Postrel discloses a redemption inquiry regarding an award balance (Figure 7, item 710).

Claims 5, 54, 70, 74 are rejected under 35 U.S.C. 103(a) as being unpatentable over Postrel (20040098317) in view of Fitzpatrick (20020046138) in view of Eggleston (6,061660).

Claim 5, 54, 70, 74: Postrel discloses the above. Postrel does not explicitly disclose printing receipts. However, Postrel discloses printers ([54]).

Eggleston further discloses printing information relating to delivery of an award or an updated award status condition on a transaction receipt generated at the point of transaction (col 45, lines 5-15).

Eggleston further discloses random prizes and a variety of award schemes (Fig. 20).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to add Eggleston's receipt for awards and variety of prizes and awards to Postrel's awarding a user for certain behaviors. One would have been motivated to do this in order to better track what has been provided to the user (Postrel, Fig. 5) and to provide awards/incentives of interest to the user.

Eggleston further discloses instant win promotions (col 30, lines 10-25; col 42, lines 55-67) and personalized point of sale promotions (col 39, lines 50-65).

Also, in regards to claim 5, Examiner notes that Applicant uses the word "or" in this claim.

Claims 13-15, 33, 34, 36-38 are rejected under 35 U.S.C. 103(a) as being unpatentable over Postrel (20040098317) in view of Fitzpatrick (20020046138) in view of Bednarek (20050251440)

Claim 13, 15: The prior art discloses the above. Postrel does not explicitly disclose increasing or decreasing awards based on frequency of utilization during a time period.

However, Bednarek discloses increasing or decreasing awards based on frequency of utilization during a time period (Bednarek, [295, 297, 298]). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to add Bednarek's adaptable rewards to Postrel's variety of awarding structures (Postrel, Fig. 4; Fig. 5). One would have been motivated to do this in order to present awards that better incite certain user behaviors.

Claims 33, 34, 36-38: Postrel discloses the above. Postrel does not explicitly disclose charging a fee to the sponsors/merchants for utilizing the system.

However, Bedarek discloses increasing or decreasing awards based on frequency of utilization during a time period (Bednarek, [295, 297, 298]).

Fitzpatrick discloses variable fees, flat fees, percentage fees, fees tied to the prizes for an award program ([97, 110, 100]; claims 8, 12, 13, 46).

Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to add Fitzpatrick's variable fees tied to the awards and Bedarek's varying awards Postrel's awards program with multiple sponsors. One would have been motivated to do this in order to provide a better way to compensate for the expenses associated with running an awards program.

#### **(10) Response to Argument**

Examiner notes that the combination of the prior art renders obvious the features of the Appellant's independent claim 1.

In reference to independent claim 1, the combination of the prior art renders obvious:  
acquiring a unique user identifier (Postrel, Figure 5, 'User Accounts'), a unique merchant identifier (Postrel, Figure 5, 'Merchant Connection Profiles'), and a user behavior identifier at a point of transaction remote from the host controller system (Postrel, Figure 3, note that different behaviors receive different amounts of rewards; Figure 5, note that the 'Merchant Offers' discloses the different offers for different behaviors by users);  
communicating each of the identifiers to the host controller system over a communications network (Postrel, Figures 4, 5);

performing a series of steps at the host controller system, including: validating at least one of the user identifier, the merchant identifier and the user behavior identifier to determine eligibility for participation in at least one award benefits program administered by the host controller system and, upon validation, identifying a program matrix rules module associated with the at least one award benefits program for which eligibility has been determined (Postrel, Figure 3, 5, 6) ; applying a set of preselected logic rules contained in the program matrix rules module to at least one of the user identifier, the merchant identifier and the user behavior identifier to determine an award benefit, and assigning at least one award benefit to the user when at least one preselected criteria for the award is satisfied (Postrel, Figure 6); and

communicating information relating to the award benefit or an updated award status condition from the host controller system to the point of transaction over a communications network (Postrel, Figure 7).

Also, Fitzpatrick further discloses the central/host controller performing the award program functions at the central/host controller server itself (Figure 1; [7, 69, 70]; claim 40).

And, the preceding is obvious in light of the rejection above.

Also, on page 18 of the Appellant's Appeal Brief dated 2/19/2008, Appellant states:

"As noted, neither Postrel nor Fitzpatrick teaches or suggests, either alone or in combination, at least (a) a host controller awarding previously non-existent awards benefits, and (b) the same host controller communicating newly-awarded benefits to a user at the point of transaction, at the close of or during the transaction."

Examiner notes that these arguments summarize Appellant's arguments in the Appeal Brief. Examiner notes that the host controller of representative claim 1 is a host controller system.

However, Postrel discloses a host controller system awarding previously non-existent awards benefits (Figure 3, 5). Note in Figure 3 that the user is awarded Miles for the different Activities that the user performed (Hotel, Phone, Car Rental, etc and then the user receives Miles for each activity). And, in Figure 5 a central Trade Server performs the functions of connecting the merchant award programs with users so that the user is awarded by the merchant thru a Trade Server/central/host controller system. Postrel further discloses these features here:

“[36]. . .The processing means additionally is adapted to coordinate the exchange of consideration and increase or decrease the user exchange accounts stored in memory in response to actions performed by the user computer, reward server and merchants.”

Also, Postrel discloses the same host controller system communicating newly-awarded benefits to a user at the point of transaction, at the close of or during the transaction. Postrel discloses that the user is given points at point of transaction remote from the host controller system (Figure 7; and below citation):

“[0043] The user may have a credit card, debit card, or stored value card that is linked to their points account in such a way as to permit them to pay for purchases with a merchant by using the card, wherein the merchant uses the existing credit card payment infrastructure as if payment were being made/authorized by a bank linked to the credit card or debit card account, but in fact the card is linked to the user's points account. In this manner, the user and merchant

can use the points account to pay for purchases in a seamless manner whereby points are used for consideration rather than or as a supplement to cash and traditional credit.”

Also, note in Figure 5 that there are numerous ‘Merchant Offers’ and numerous ‘Merchant Connection Profiles’. Also, note in Figure 5 that the Trade Server (item 54) acts as a central host controller and that the Merchant (30) is remote from the Trade Server. Figure 5 also discloses individual user accounts and also individual merchant accounts (‘User Accounts’, ‘Merchant Connection Profiles’). And, Postrel discloses the unique behavior identifier (Figure 3, note that different behaviors receive different amounts of rewards; Figure 5, note that the ‘Merchant Offers’ discloses the different offers for different behaviors by users). Also, notice that in Fig. 5 all the functions of database 54 are part of the trade server 20 (Figure 5; [31], ‘as defined in a database 54 on the trading server as shown in FIG. 5’). Hence, Figure 5 discloses an automated marketing method implemented using a host controller system administering a plurality of marketing programs and involves acquiring a unique user identifier, a unique merchant identifier, and that the merchant and/or user can be remote from the host controller system.

Additionally, in regards to arguments concerning the Fitzpatrick reference and in response to arguments that Postrel's functions are split into different/separate servers or that the host/central controller system of Postrel does not do anything of significance, Examiner notes the following.

Examiner notes that it is the Applicant’s claims as stated in the Applicant’s claims that are being rejected with the prior art. Also, although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. See *In re Van*

Art Unit: 3600

*Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993). And, Examiner notes that claims are given their broadest reasonable construction. See *In re Hyatt*, 211 F.3d 1367, 54 USPQ2d 1664 (Fed. Cir. 2000).

Examiner also notes that while specific references were made to the prior art, it is actually also the prior art in its entirety and the combination of the prior art in its entirety that is being referred to. Also, one cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981); *In re Merck & Co.*, 800 F.2d 1091, 231 USPQ 375 (Fed. Cir. 1986).

When there is a design need or market pressure to solve a problem and there are a finite number of identified, predictable solutions, a person of ordinary skill has good reason to pursue the known options within his or her technical grasp. If this leads to the anticipated success, it is likely the product not of innovation but of ordinary skill and common sense. In that instance the fact that a combination was obvious to try might show that it was obvious under §103.

If a person of ordinary skill in the art can implement a predictable variation, and would see the benefit of doing so, §103 likely bars its patentability. Moreover, if a technique has been used to improve one device, and a person of ordinary skill in the art would recognize that it would improve similar devices in the same way, using the technique is obvious unless its actual application is beyond that person's skill. *KSR Int'l Co. v. Teleflex, Inc.*, No 04-1350 (U.S. Apr. 30, 2007).

Also, KSR states that it is obvious to recite combination which only unite old elements with no change in their respective functions and which yield predictable results. KSR, 127 S.Ct. at 1741, 82 USPQ2d at 1396.

And, as noted in the rejection, Postrel does not explicitly disclose that the trading server manages reward programs for other entities where the other entities do not also manage the reward program. Or, Postrel does not explicitly disclose that the trading server performs the functions of the trading server and also the reward server.

However, Fitzpatrick discloses multiple, different award programs that are stored at and administered/operated by a central/host controller (Figure 1) and where the merchant does not perform the same award program functions. Note in Fitzpatrick Figure 1 that there are multiple customers or merchants. Also, note that there are multiple participants or shoppers. And, note that item 112 tracks the shopper/participant award points and that item 112 tracks the program of the customer/merchant. And, note that there are multiple programs, both standard programs and modified programs (Figure 1, "Catalog of Predefined Programs", "Modified Programs").

Also, and very importantly, note that Fitzpatrick discloses that all the functions of items 112, 114, 116, and 122 can be located at item 108 (Figure 1). That is, Fitzpatrick discloses that the Program Processor (Figure 1, item 108), can house and perform all of the operations of the Selecting Software, Editing Software, and Operating Software (Figure 1, items 114, 116, 122). And, Fitzpatrick further discloses that there the Program Processor (Figure 1, item 108), can house and perform all of the operations of the Storage Device, Catalog of Predefined Programs, Modified Programs, Customer Programs tracking, Awards Collection, Award Point Accounts, Participant Award Point Accounts tracking (Figure 1, items 112, 110, 124, 126, 128).



Art Unit: 3600

Fitzpatrick discloses that these functions can be house and performed at the Program Processor (Figure 1, item 108) at the following citations:

“[0007]. . . Programs are available to customers as either standard, "off-the-shelf" programs or customized programs to suit the particular needs of a business. Such programs currently exist in the marketplace. For example, Maritz Inc. provides programs for customers offline; that is, by conversing with the customer and then designing, implementing, and operating a program for that customer based on the expressed needs of that customer.

[0069] In one embodiment of the invention, the customer processor 104 is remote from the program processor 108 and remote from the storage device 112. The selecting software 114, the editing software 116 and the operating software 122 are resident in the program processor 108. In one embodiment, the customer processor 104, the participant processor 106, and the program processor 108 are selectively interconnected via a global computer network, such as the Internet 102.

[0070] The system 100 contains an image of the operating software 122 which remains local to the program processor 108. When the program processor 108 receives a request from a particular participant to execute the modified program 126, an image of the modified program 126 is loaded into a local memory area for execution by the operating software. As the program processor receives subsequent requests from participants 120 to execute the modified program 126, additional images of the modified program 126 are loaded into the local memory area for execution by the operating software 122. In addition, the modified programs 126 remain local to the program processor 108 in the storage device 112. Once the customer 118 has purchased

Art Unit: 3600

the modified program 126, the image of the operating software 122 executes all the modified programs 126. The modified programs 126 are not stand-alone instances of code which are executable outside of the program processor 108. The modified programs 126 are not distributed to the customer 118 for execution local to the customers 118. Instead, the operating software 122 has business logic which is applied to each modified program 126 in the storage device 112 to execute that modified program 126 according to customer-selected preferences. The operating software 122 is not distributed to the customer processor 104 or the participant processor 106.

[Claim] 40. The system of claim 37, further comprising a program processor accessible by the customer processor, wherein the customer processor is remote from said program processor and remote from the storage device, wherein the selecting software, the editing software and the operating software are resident in said program processor and further comprising a network for selectively interconnecting the customer processor and said program processor.”

Hence, Fitzpatrick discloses that the functions of the Selecting Software, Editing Software, Operating Software, and Storage Device (Figure 1, items 114, 116, 122, 112) can be performed at the Program Processor (Figure 1, item 108) and that the Program Processor is a central host controller that is separate from the Customers/Merchants or Shoppers/Participants. Hence, Fitzpatrick discloses the Program Processor operating as a central/host controller.

Hence, Fitzpatrick discloses a central/host controller performing all the functions of both Postrel's Trade Server and Postrel's Reward Server.

Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made that the functions of Postrel's reward and trading servers can be combined into one host/central server that interacts with the POS Merchants of Postrel. One would have been motivated to do this in order to provide a single source for the various reward programs and a more convenient operations scheme.

Also, Examiner further notes that MPEP 2144.04.V. discloses that making integral or continuous is an obvious variation. And, in this case Fitzpatrick's makes integral or continuous the separate reward and trading server of Postrel. Hence, it is obvious to a skilled artisan that the functions of Postrel's distinct reward and trading server can be combined into one central server.

Also, the following is in regards to Appellant's arguments on pages 22, 23 concerning claims 68, 79.

Examiner notes that it is the Applicant's claims as stated in the Applicant's claims that are being rejected with the prior art. Also, although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993). And, Examiner notes that claims are given their broadest reasonable construction. See *In re Hyatt*, 211 F.3d 1367, 54 USPQ2d 1664 (Fed. Cir. 2000).

And, Postrel discloses a matrix/table rules database that can be referenced to determine the value of particular user actions/behaviors (Figures 3, 5, 9; [36, 3, 15, 29, 33]). Note in Figure 3 that different behaviors receive different amounts of rewards. Also, note in Figure 5 that the 'Merchant Offers' discloses the different offers for different behaviors by users. And, in Figure 9, item 902, Merchant Offers are communicated to the user.

**(11) Related Proceeding(s) Appendix**

No decision rendered by a court or the Board is identified by the examiner in the Related Appeals and Interferences section of this examiner's answer.

For the above reasons, it is believed that the rejections should be sustained.

Respectfully submitted,

/Arthur Duran/  
Primary Examiner, Art Unit 3622  
4/23/2008

Conferees:

Eric Stamber/E. W. S./  
Supervisory Patent Examiner, Art Unit 3622

Vincent Millin /VM/  
Appeals Practice Specialist  
TC 3600